



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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IN REPLY PLEASE
REFER TO FILE: **PJ-1**

May 9, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JESSE OWENS COUNTY PARK RENOVATION PROJECT
AWARD CONSTRUCTION CONTRACT
AWARD CONSULTANT SERVICES AGREEMENT
SPECS. 5391; C.P. 77384
SUPERVISORIAL DISTRICT 2
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND THE
DIRECTOR OF PARKS AND RECREATION THAT YOUR BOARD:**

1. Find the bid of R.B.&G. Construction Inc., the apparent low bidder, for the Jesse Owens County Park Renovation Project, to be nonresponsive because the bid failed to include a licensed subcontractor for the pool work and R.B.&G. Construction did not possess the required license to perform this work at the time of bid.
2. Award and authorize the Director of Public Works to execute a construction contract in the form previously approved by County Counsel to AKG Construction, Inc., for the Jesse Owens County Park Renovation Project, for \$4,087,400 funded by the Regional Park and Open Space District and net County cost, and establish the effective contract date following receipt of approved Faithful Performance and Labor and Materials Bonds and insurance certificates filed by the contractor.

3. Award and authorize the Director of Public Works to execute a consultant services agreement with Kleinfelder Inc., to provide continuous deputy inspection and soils and materials testing services for the Jesse Owens County Park Renovation Project for a not to exceed fee of \$96,000 funded by the Regional Park and Open Space District and net County cost, and establish the effective contract date following receipt of insurance certificates filed by the consultant.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board find R.B.&G. Construction, to be nonresponsive; award a construction contract to AKG Construction; and award a consultant services agreement to Kleinfelder for deputy inspection and soils and materials testing services.

On January 15, 2002, your Board adopted the plans and specifications for the Jesse Owens County Park Renovation project at an estimated cost between \$2,724,600 and \$3,746,400, and authorized Public Works to advertise for construction bids. On February 12, 2002, two bids were received, both of which exceeded Public Works' fair construction cost estimate. On March 19, 2002, your Board rejected all construction bids and authorized Public Works to readvertise. On April 16, 2002, a total of four bids were received. R.B.&G. Construction, with a bid of \$4,067,734, was the apparent low bidder. However, their bid was nonresponsive because it failed to include a licensed subcontractor for the pool work, and R.B.&G. Construction did not possess the required license to perform this work at the time of bid. The lowest responsible bid of \$4,087,400 was submitted by AKG Construction, which exceeded Public Works' fair construction cost estimate of \$3,405,800 by \$681,600. Since all four bids were consistent and within a three-percent range, AKG Construction's bid is considered reasonable for the project scope of work. Based on the current market conditions, we do not anticipate receiving more favorable bids by readvertising the project. Sufficient funding is available in the current project appropriation to award the construction contract.

The project includes constructing an approximately 18,000-square-foot building enclosing a new 25-meter competitive pool, renovating the gymnasium kitchen, and repairing the gymnasium retaining wall. A family restroom will also be included in the pool building. The existing pool facility has been demolished, and the project site is now ready for the new construction.

Implementation of Strategic Plan Goals

These actions meet the County's Strategic Plan Goal of Fiscal responsibility as this is an investment in public infrastructure. Also, these actions are consistent with the Goal of Children and Families Well-Being as these heavily-used recreational facilities help to provide good health and social and emotional well-being.

FISCAL IMPACT/FINANCING

The recommended construction contract with AKG Construction is for \$4,087,400. In addition, \$368,717 (approximately nine percent of the contract amount) is allocated for change orders in the construction budget.

The total project cost, including plans and specifications, plan check, demolition, construction, equipment, consultant services, miscellaneous expenditures, youth employment, and County services, is currently estimated at \$5,931,000, which is consistent with the amount previously authorized by your Board on January 15, 2002. The total project cost reflects awarding the construction contract to AKG Construction and the consultant contract to Kleinfelder and the actual costs for demolishing the existing facility. The increases in the construction cost and consultant services are being offset by reducing the change order contingency since the majority of the previously unknown site conditions have been revealed and addressed during the demolition phase, and by savings realized in the design contingency, plan check, equipment/utility connection fees, miscellaneous expenditures, and County services line items. The Project Schedule and Budget Summary are included in Enclosure A.

The improvements at Jesse Owens County Park are funded by the Regional Park and Open Space District (\$1,898,000) and the County's General Fund (\$4,033,000). Of this \$4,033,000, \$1,210,000 is funded by the Second Supervisorial District allocation of 1998-99 Extraordinary Maintenance Funds; \$2,808,000 was approved by your Board on September 14, 1999; and the remaining \$15,000 was funded as part of the Family Restroom Program.

Sufficient appropriation is available in the Fiscal Year 2001-02 Capital Projects Budget (C.P. 77384) to fund this project.

Operating Budget Impact

Parks and Recreation does not anticipate any additional utilities or operational costs for the new pool facility. The gymnasium kitchen improvements and the retaining wall repairs will not impact the operations budget. However, Parks and Recreation will incur a one-time start-up cost of approximately \$79,000 for supplies and equipment for the new pool building. Parks and Recreation will work with the Chief Administrative Office to develop recommendations to address funding of the estimated start-up costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Parks and Recreation will employ at-risk youth to perform a portion of the landscaping work for the project.

A standard construction contract and a consultant services agreement, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring of qualified displaced County employees will be included.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Both the project specifications and the consultant services agreement contain provisions requiring the contractor or consultant to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor or consultant offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, AKG Construction and Kleinfelder have attested their willingness to consider Greater Avenues for Independence Program participants for future employment.

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AKG Construction and Kleinfelder are in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program).

ENVIRONMENTAL DOCUMENTATION

On January 15, 2002, your Board found this project categorically exempt from the requirements of the California Environmental Quality Act.

CONTRACTING PROCESS

Construction Contract

On January 15, 2002, your Board approved the plans and specifications for the Jesse Owens County Park Renovation Project and authorized advertising for bids. On February 12, 2002, two bids were received, both of which exceeded Public Works' fair construction cost estimate of \$3,405,800. On March 19, 2002, your Board rejected all construction bids and authorized Public Works to readvertise. On April 16, 2002, four bids were received. R.B.&G. Construction, with a bid of \$4,067,734 was the apparent low bidder. However, their bid is nonresponsive because it failed to include a licensed subcontractor for the pool work and R.B.&G. Construction did not possess the required license to perform this work at the time of bid. Therefore, AKG Construction, with a bid of \$4,087,400, is the lowest responsible bidder meeting the criteria adopted by your Board. The bid results are summarized in Enclosure B.

AKG Construction's Community Business Enterprise participation data and three-year contracting history are on file with Public Works.

Consultant Services Agreement

On November 27, 2001, Public Works requested proposals for deputy inspection and soils and materials testing services. On December 13, 2001, four firms submitted proposals for review and evaluation. The firms were evaluated based on technical expertise, proposed work plan, experience, personnel qualifications, and understanding of the work requirements. These evaluations were done without regard to race, creed, color, or gender. Based on a review of the proposals, Kleinfelder was found to be the firm best qualified to perform these

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services. Kleinfelder has agreed to perform the services for a not to exceed fee of \$96,000. The proposed fee is considered reasonable for this type of work and consistent with fees previously expended for similar work. Kleinfelder's, Community Business Enterprise data, and three-year contracting history are on file with Public Works. As requested by your Board on February 3, 1998, these contract opportunities were listed on the Office of Small Business website.

IMPACT ON CURRENT SERVICES

The existing pool facility has been demolished. Construction of the new facility is scheduled to begin in June 2002 and be completed in May 2003. Parks and Recreation relocated the various recreational swimming programs and events to Victoria Community Regional County Park in Carson.

CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), Parks and Recreation, and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

TIMOTHY GALLAGHER
Director of Parks and Recreation

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Enc. 2

cc: County Counsel
Department of Public Social Services (GAIN Program)

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ENCLOSURE A

**JESSE OWENS COUNTY PARK RENOVATION PROJECT
AWARD CONSTRUCTION CONTRACT
AWARD CONSULTANT SERVICES AGREEMENT
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I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date	Actual Completion Date
Award Design Contract	11/10/98		11/10/98
Execute Design Contract	11/27/98		11/16/98
Schematic Design	04/06/00		07/20/00
Design Development	06/22/00		05/05/00
Construction Documents	12/27/00		12/20/01
Jurisdiction Approvals	12/27/00		12/20/01
Construction Award	05/21/02		
Construction Start	06/04/02		
Substantial Completion	04/08/03	05/12/03	
Final Acceptance	06/06/03	07/28/03	

II. PROJECT BUDGET SUMMARY

Budget Category	Proposed Approved Budget	Impact of this Action	Revised Project Budget
Land Acquisition	\$ 0	\$ 0	\$ 0
Plans and Specifications			
Basic Design Services	\$ 307,041	\$ 0	\$ 307,041
Construction Administration	73,599	0	73,599
Consultant Services	31,250	0	31,250
Reimbursables	<u>12,200</u>	<u>0</u>	<u>12,200</u>
Total A/E Contract	424,090	0	424,090
Design Contingency	<u>10,000</u>	<u>(10,000)</u>	<u>0</u>
Total Plans and Specifications	\$ 434,090	\$ (10,000)	\$ 424,090
Plan Check	\$ 23,972	\$ (6,500)	\$ 17,472
Construction			
Demolition	\$ 211,000	\$ 55,986	\$ 266,986
Construction	3,746,400	341,000	4,087,400
Change Order Contingency	<u>736,625</u>	<u>(367,908)</u>	<u>368,717</u>
Total Construction	\$ 4,694,025	\$ 29,078	\$ 4,723,103
Equipment/Utility Connection Fees	\$ 40,000	\$ (12,000)	\$ 28,000
Other Consultant Services	\$ 100,500	\$ 4,000	\$ 104,500
Miscellaneous Expenditures	\$ 10,000	\$ (1,000)	\$ 9,000
County Services	\$ 608,413	\$ (3,578)	\$ 604,835
At-Risk Youth Employment	\$ 20,000	\$ 0	\$ 20,000
TOTAL	\$ 5,931,000	\$ 0	\$ 5,931,000

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ENCLOSURE B

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BID SUMMARY

The project includes constructing an approximately 18,000-square-foot building enclosing a new 25-meter competitive pool, renovating the gymnasium kitchen, and repairing the gymnasium retaining wall. A family restroom will also be included in the pool building.

Bid Opening Date:

April 16, 2002

Bid Summary:

Bidder

Total of Lump Sum Bid

1. R.B.&G. Construction Company, Inc.	\$ 4,067,734 (Nonresponsive bid)
2. AKG Construction, Inc.	\$ 4,087,400
3. EMAE International, Inc.	\$ 4,149,500
4. Metro Builders	\$ 4,184,711

Financial Information:

Public Works' fair construction cost estimate was between \$2,724,600 and \$3,746,400.